

Article - Estates and Trusts

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§14–403.

(a) Any person having the right to transfer property to another person may create a trust as a transferor under this subtitle.

(b) The transferor may:

- (1) As declarant serve as trustee;
- (2) Designate a trustee;
- (3) Designate how the trustee will be chosen;
- (4) Designate successor trustees in the order in which they will serve;

and

- (5) Designate how successor trustees will be chosen.

(c) The trustee shall hold, manage, expend, and transfer trust property as provided in this subtitle.

(d) The successor trustee shall assume the responsibilities of the trustee when the trustee is no longer willing or able to serve.

(e) A trust may have only one beneficiary but more than one trustee.

(f) A trustee:

- (1) Is not personally liable to a third person:

- (i) On a contract properly entered into in a fiduciary capacity unless the trustee fails to reveal that capacity or to identify the trust in the contract;
or

- (ii) For an obligation arising from control of trust property or for a tort committed in the course of the administration of the trust, unless the trustee is personally at fault;

(2) May decline to serve as trustee before accepting trust property by notifying in writing the person who designated the trustee, or that person's legal representative; and

(3) May resign as trustee by notifying the successor trustee in writing, transferring all trust property to the successor trustee, providing the successor trustee with a complete accounting of trust property, and confirming that the successor trustee has accepted the trust property.

(g) The next willing successor trustee in line shall accept the records and trust property and become trustee as soon as practicable after:

- (1) The resignation of the trustee;
- (2) The declination of the trustee;
- (3) The death of the trustee; or
- (4) The removal of the trustee.

(h) If the trustee is unable or unwilling to serve and no successor trustee will serve, the following persons in the order listed may petition the court to designate a successor trustee:

- (1) The transferor or the legal representative of the transferor;
- (2) The trustee;
- (3) The beneficiary or the beneficiary's legal representative;
- (4) The guardian of the person of the beneficiary;
- (5) An adult member of the beneficiary's family or that family member's legal representative; or
- (6) A person interested in the trust property or a person interested in the welfare of the beneficiary, either of whom the court determines to have a legitimate interest.

(i) Unless renounced by the transferor, the transferor may at any time remove or change the designation of the trustee and successor trustees.

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